GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:447
ANSWERED ON:25.11.2005
VIOLATION OF RULES BY POWER TRADING COMPANIES
Tripathi Shri Chandramani

Will the Minister of POWER be pleased to state:

(a) whether some power trading companies violating the conditions laid down in the licence;

(b) if so, the details thereof;

(c) whether the Government are considering to cancel licence of the said companies; and

(d) if so, the details thereof?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) to (d) : The Central Electricity Regulatory Commission (CERC) is empowered to issue licences for inter-State trading of electricity under Section 79(1) of the Electricity Act, 2003. As per the Central Electricity Regulatory Commission (Procedure Terms & Conditions for grant of Trading Licence and other related matters) Regulations, 2004, the trading licensees are required to furnish information in specified form to the CERC on quarterly basis, a copy of which is also to be furnished to the Regional Load Dispatch Centre (RLDC) and Regional Electricity Board (REB) or the Regional Power Committee (RPC), as the case may be. The licensees are also required to post the said information on their web sites.

It was brought to the notice of the CERC that the licensees were not complying with the requirements of submission of information to the REB/RPC and RLDC, and posting the same on the web sites. The CERC, issued orders directing the licensees to explain the reasons for non-compliance of the requirement of the Regulation. The licensees in replies to the CERC`s order have undertaken that these Regulations shall be complied with meticulously in future. In view of the undertaking given by the licensees, the CERC by its order dated 22.09.2005 has condoned the past non-compliance of the trading regulations.